

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 528 – HB 542

April 2, 2015

SUMMARY OF ORIGINAL BILL: Authorizes any Tennessee resident who has been residing outside of the United States due to employment to ship any wine purchased while residing outside the U.S. to this state.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Revenue – \$63,200/FY15-16/ABC Fund
\$1,900/FY15-16/General Fund
\$25,000/FY16-17 and Subsequent Years/ABC Fund
\$700/FY16-17 and Subsequent Years/General Fund

Increase Local Revenue – \$400/FY15-16
\$200/FY16-17 and Subsequent Years

SUMMARY OF AMENDMENT (005047): Deletes all language after the enacting clause except for the effective date provision. Authorizes The Winery at Belle Meade Plantation to serve samples of certain alcoholic beverages, with or without charge, sell bottles of certain alcoholic beverages, and sell merchandise promoting the brands of the specified manufacturer at the retail store operated by the winery.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

NOT SIGNIFICANT

Assumptions for the bill as amended:

- There will be no additional application or licensing fees imposed pursuant to this bill as amended. Therefore, any revenue impact to the Alcoholic Beverage Commission (ABC) will be not significant.
- No additional personnel or resources will be required by the ABC.
- The Department of Revenue reports that current liquor-by-the-drink tax collections from the sale of wine as samples for tasting, with or without charge, for consumption on the premises at a winery, or at retail in sealed containers for consumption on such premises are equal to zero.
- Therefore, it is estimated that the proposed legislation as amended will not result in a significant increase in state or local revenue. Any increase in sales tax revenue for state

and local sales taxes imposed on the manufacturer's merchandise promoting the brands of the manufacturer are estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink, appearing to read "Jeffrey L. Spalding". The signature is fluid and cursive, with the first name "Jeffrey" and last name "Spalding" clearly distinguishable.

Jeffrey L. Spalding, Executive Director

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